

**State of Rhode Island and Providence Plantations  
BOARD OF ACCOUNTANCY  
1511 Pontiac Avenue, Bldg. 68-2  
Cranston, Rhode Island 02920**

## **MEETING NOTICE**

**April 21, 2015**

**1511 Pontiac Avenue, Cranston, RI 02920  
Conference Room 68-1**

**1:30 PM**

## **OPEN MEETING AGENDA**

**(1) Call to Order**

**(2) Meeting Minutes (Review/Discuss/Take Action)**

- 1. Acceptance of the March 17, 2015 Open Session Meeting Minutes**
- 2. Acceptance of the March 17, 2015 Executive Session Meeting Minutes**

**(3) National Association of State Boards of Accountancy (NASBA) matters – (Review/Discuss/Take Action)**

**Information was sent from NASBA and forwarded to all Board members prior to the meeting to include the following:**

- a. NASBA – Amendment to CPAES fee change between NASBA and the Board. This involves the fees charged to the Examination Candidates**
- b. NASBA - Northeast Peer Review Oversight Committee**
- c. NASBA – Seeking Nominating Committee Representatives for Northeast, etc.**
- d. NASBA – Call for Nominations for the Board of Directors**
- e. NASBA – Wall Certificate and Pocket License Service**

**(4) American Institute of Certified Public Accountants (AICPA) and Rhode Island Society of Certified Public Accountants (RISCPA) matters – (Review/Discuss/Take Action)**

- a. Comments from Robert Mancini, Executive Director, (RISCPA) – (1) Status of Internship Opportunity with Roger Williams University.**

**(5) Public Company Accounting Oversight Board (PCAOB) – (Review/Discuss/Take Action)**

- a. None at this time.**

**(6) Consideration of approval of the following initial applications for certification – (Review/Discuss/Take Action)**

**Corey Brunelle Stephanie Morse Kimberly Ann Pierce**

**(7) Consideration of approval of the following reinstatement applications – (Review/Discuss/Take Action)**

**Bonnie Brayton Kennedy (2643) Caryn Mitchell (2491)**

**(8) Old Business: (Review/Discuss/Take Action)**

**a. Development of Board's Newsletter - Mr. Tracy is currently working on this project with NASBA.**

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**b. Regulations Merger – The Board's Regulations are being merged into one (1) document. "Office of Regulatory Reform (ORR)" approved the document merger. The Public Hearing will be held on Tuesday, April 21, 2015 at 1:30 p.m. The document was forwarded to the "interested parties," to include NASBA and RISCPA, and the Board members.**

**c. 2015 Legislation – The Department of Business Regulation (DBR) legislative package was submitted to the Governor's office for review as to which legislation will move forward. Attorney Algee will update the Board.**

**d. Renewal Applications – Attestations –**

**• Certified Public Accountant (CPA) and Public Accountant (PA) - The Continuing Professional Education (CPEs) will no longer be submitted with the renewal application. CPEs will acknowledge by attestation and will be subject to a random audit.**

**• Practice Unit – The insurance and peer review documents will no longer be submitted with the Practice Unit renewal application. The**

**Practice Unit will acknowledge by attestation and will be subject to a random audit.**

**The Board will begin a “Pilot” CPE and Peer Review Audit process and will audit 3% plus those CPAs and Practice Units that were not in compliance in the past renewal period and requested an extension for completion.**

**e. Public Accountants (PA) – Eliminating the status -**

**Treasurer Tashjian discussed the history of the PA status. 1976 was the last time that there was a PA status issued. Treasurer Tashjian suggested that the remaining 12 PAs be grandfathered and be issued a Certified Public Accountant (CPA) status. This was done in the State of Massachusetts. A request was sent to Massachusetts requesting the enabling legislation that grandfathered the group of PAs to CPAs and is waiting for a response. Treasurer Tashjian located the enabling legislation for Board review.**

**(9) New Business: (Review/Discuss/Take Action)**

**a. Survey for completion received from the Tennessee Department of State Audit who is conducting an audit of the Tennessee State Board of Accountancy and reviewing its current practices in licensing and reviewing CPAs and CPA Firms.**

**b. Peter F. Novak – The Board received notification from Peter F. Novak that he will be practicing as a Certified Public Accountant (CPA) in the State of Rhode Island. He is currently registered in the**

**State of New Jersey, which is a substantial equivalent State.**

**c. E.S. Financial Services, Inc. – The Board received notification from E.S. Financial Services, Inc. that they are now engaged with KPMG, LLP, as independent public accountant, effective March 9, 2015.**

**d. Any other new business.**

**(10) Next Meeting Date: (Review Discuss/Take Action)**

**a. The next meeting of the Board is scheduled for Tuesday, May 19, 2015, 1:30 p.m.**

**(11) Executive Session**

**The Board will also discuss the following matters in closed session pursuant to RI General Laws §42-46-5(a)(4) for investigative proceedings regarding allegations of civil or criminal misconduct.**

**PENDING MATTERS:**

**• One (1) complaint alleging the person did not complete her taxes properly and that she now owes \$4300 to the IRS. This person is advertising boldly on his signboard at his business location that he is a CPA. His CPA license expires June 30, 1998. This matter has been referred to the DBR Division of Regulatory Standards, Compliance and Enforcement.**

**2015**

- **One (1) CPA license reinstated that was “inactive.” It came to the Board’s attention that the CPA license was previously suspended. The Board requested a written explanation of that suspension and all related documents for Board review.**
- **One (1) complaint alleging that the Certified Public Accountant (CPA) was retained with a \$1000 to help settle back taxes owed after Chapter 7 bankruptcy was filed. The CPA then proceeded to question the Complainants as to whether or not they were current with their 2014 taxes at which time they were not. At that point, the CPA indicated that he could not help them. The Complainants requested a refund of the retainer fee and only got \$500 back.**
- **One (1) matter CAFA notification received pursuant to the Class Action Fairness Act, 28, U.S.C. §1715(b) in inform the Board of a proposed class action settlement involving a Practice Unit.**

#### **NEW BUSINESS:**

- **One (1) complaint alleging that the Certified Public Accountant (CPA) completed tax returns for his corporation in September 2014 and advised him that he would then prepare his personal tax returns. Beginning in October 2014, he called the CPA’s office requesting copies of his corporate tax returns as well as the completion of his personal tax returns. He called in October, November, December 2014 and January and February 2015. His attorney dropped by his**

office and left a card requesting a telephone call regarding this matter. In addition his attorney forwarded the attached letter requesting the same information. All these inquiries have been ignored. He noted that he paid for the corporate tax returns as well as for the preparation of his personal taxes.

- One (1) complaint in regard to the bill issued by a Certified Public Accountant (CPA) / Practice Unit for their responding to an Internal Revenue Service (IRS) audit due to an error in their initial reporting on end of year federal tax filings. Complainant attempted to resolve the problem to no avail.

#### **OLD MATTERS:**

- One (1) CPA was indicted on sixty-six (66) counts and charged with stealing identities of the terminally ill and elderly. The CPA please guilty to two (2) of the charges.

#### **(12) Adjournment**

All are welcome to any public meeting of the Rhode Island Board of

**Accountancy held at the Rhode Island Department of Business Regulation (“DBR”). If any reasonable accommodation is needed to ensure equal access, service or participation, please contact the DBR at (401) 462-9551, RI Relay at 711, or email at [dbr.directoroffing@dbr.ri.gov](mailto:dbr.directoroffing@dbr.ri.gov) at least three (3) business days prior to the meeting.**

**Posted on April 16, 2015 at Department of Business Regulation, State House Library, and electronically on Secretary of State’s Office website. Pursuant to the Open Meetings Law, R.I. Gen. Laws Sec. 42-46-6(b). Business not included in this notice may be considered with consent of the majority of the members, and/or may convene into Executive (closed) Session pursuant to R.I. Gen. Laws Sec. 42-46-5.**